

EXHIBIT N

CONFIDENTIAL

Ahlberg, Timothy H. - Vol. II

April 23, 2020

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

----- X
In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3283-LTS
 as representative of :
 : (Jointly
THE COMMONWEALTH OF : Administered)
PUERTO RICO, :
 :
 Debtor. :
----- X

In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3567-LTS
 as representative of :
 :
THE COMMONWEALTH OF : CONFIDENTIAL
PUERTO RICO, et al., : PURSUANT TO
 : PROTECTIVE ORDER
 Debtor. :
----- X

VOL. II OF II

Videotaped deposition of TIMOTHY H.
AHLBERG, conducted virtually, pursuant to
continuance, reported stenographically by
Cynthia J. Conforti, CSR, RPR, CRR, commencing
at the hour of 9:46 a.m. CST, on the 23rd day
of April, 2020.

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20 (Pages 298 to 301)

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1	BY MS. MILLER:	11:34:18	1	line.	11:37:38
2	Q. Mr. Ahlberg, do you recall reading	11:34:21	2	...the first proceeds of the	11:37:41
3	any of the legal briefs in connection with this	11:34:22	3	federal excise taxes remitted to the Department	11:37:41
4	matter?	11:34:26	4	of Treasury on Puerto Rico in each fiscal	11:37:49
5	A. I have read various legal briefs.	11:34:27	5	year...	11:37:50
6	I can't recall specifically which ones without	11:34:32	6	Do you see that?	11:37:50
7	having the documents in front of me.	11:34:34	7	A. Yes, I see that.	11:37:51
8	Q. Okay. Thank you.	11:34:37	8	Q. Okay. And then if you go down to	11:37:52
9	MS. MILLER: I'd like to mark as	11:34:47	9	about halfway through the paragraph, as it goes	11:37:55
10	an exhibit tab 1102.	11:34:49	10	through various years which are well behind us,	11:38:01
11	(Monolines Exhibit 21 is	11:34:49	11	so I'm going to skip them.	11:38:03
12	introduced for the record.)	11:35:01	12	So in the case of fiscal year 2006	11:38:05
13	BY MS. MILLER:	11:35:01	13	to '7 to 2008 and '9, and at subsequent years	11:38:07
14	Q. Mr. Ahlberg, did you review the	11:35:02	14	until fiscal year 2056 to '57, the	11:38:12
15	PRIFA Enabling Act in connection with your	11:35:05	15	participation shall be for an amount of up to	11:38:16
16	testimony today?	11:35:08	16	\$117 million, which when received by the	11:38:18
17	A. I did not review the PRIFA	11:35:12	17	Department of Treasury of Puerto Rico, shall be	11:38:22
18	Enabling Act.	11:35:17	18	covered into a Special Fund to be maintained by	11:38:25
19	Q. All right. Do you have a general	11:35:17	19	or on behalf of the authority designated as the	11:38:28
20	understanding of the requirements under the	11:35:20	20	Puerto Rico Infrastructure Fund.	11:38:31
21	PRIFA Enabling Act to deposit certain moneys	11:35:22	21	Do you see that?	11:38:35
22	into particular accounts?	11:35:25	22	A. Yes, I see that.	11:38:36
23	MS. McKEEN: Objection.	11:35:28	23	Q. Okay. Do you have an	11:38:38
24	THE WITNESS: I am aware that the	11:35:34	24	understanding of what Special Fund, capital S,	11:38:40
25	PRIFA Enabling Act has certain information	11:35:36	25	capital F, means in the Commonwealth?	11:38:43
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1	about moneys in accounts, as you mentioned.	11:35:40	1	MS. McKEEN: Objection.	11:38:51
2	BY MS. MILLER:	11:35:40	2	THE WITNESS: I'm not certain what	11:38:52
3	Q. Okay. I'd like to turn to	11:35:44	3	Special Fund means in the context of this page	11:38:53
4	Section 1914, if we could.	11:35:49	4	here. It looks like a definition that we can	11:38:58
5	Let me ask you while we are	11:36:17	5	refer to within the document.	11:39:00
6	getting to it, because it's about 25 pages in,	11:36:18	6	BY MS. MILLER:	11:39:07
7	so it might take a while. We're going page by	11:36:22	7	Q. Not elsewhere defined in the	11:39:07
8	page here.	11:36:25	8	document, but let me ask you, have you ever	11:39:08
9	Do you have an understanding of	11:36:26	9	heard of that term, Special Fund, being used	11:39:11
10	what a special deposit is as used by the	11:36:28	10	anywhere in Commonwealth accounting?	11:39:16
11	Commonwealth?	11:36:33	11	A. I have heard people use the term	11:39:25
12	A. As used by the Commonwealth in	11:36:45	12	"Special Fund," but depending on the context,	11:39:28
13	what context?	11:36:48	13	people could have been referring to different	11:39:31
14	Q. Well, now you have Section 1914 up	11:36:50	14	things.	11:39:33
15	in front of you, and it's titled Special	11:36:53	15	Q. Okay. And what have you -- what	11:39:36
16	Deposit, and my question is if you have an	11:36:56	16	are some of the things that you think it could	11:39:40
17	understanding within the Commonwealth,	11:37:00	17	have been referring to?	11:39:42
18	accounting or otherwise, what a special deposit	11:37:02	18	A. That's -- I'm not sure I have a	11:39:49
19	means.	11:37:04	19	clear understanding from the document.	11:39:54
20	A. I'm not familiar with the term	11:37:08	20	Q. Okay. Do you know whether	11:39:56
21	"special deposit."	11:37:10	21	special -- I'm sorry.	11:39:58
22	Q. Okay. Have you ever heard it?	11:37:12	22	Going back to special deposit, do	11:39:59
23	A. I may have heard the term before.	11:37:18	23	you know whether special deposit is defined in	11:40:03
24	Q. Okay. Okay. So this provision	11:37:21	24	the Commonwealth financial statement of the	11:40:04
25	requires that -- I'm reading about the second	11:37:32	25	Special Fund?	11:40:06

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1	word "Fund."	11:45:57	1	received for the specified purposes for which	11:50:32
2	BY MS. MILLER:	11:45:57	2	the law does not specify its recording in any	11:50:35
3	Q. What about how you would interpret	11:45:57	3	other Fund. It mainly includes -- it mainly	11:50:39
4	the use of the word "Fund"?	11:45:59	4	includes deposits under the custody of the	11:50:42
5	MS. McKEEN: Objection.	11:46:03	5	Courts of Justice for alimony payments,	11:50:44
6	THE WITNESS: The way that I think	11:46:11	6	escrows, revenue collections and agency	11:50:47
7	about the use of the word "Fund" are Fund	11:46:13	7	accounts for which the Commonwealth act in an	11:50:50
8	numbers within the PRIFA system.	11:46:16	8	agent's capacity.	11:50:54
9	BY MS. MILLER:	11:46:16	9	Q. Okay. Have you spoken to anybody	11:50:57
10	Q. Looking -- while we have this	11:46:20	10	at Treasury about Special Deposits?	11:51:05
11	document up, I know I asked you about it. Once	11:46:22	11	A. No.	11:51:11
12	we have it, if we can turn to page 161, 162 of	11:46:25	12	Q. Have you had any conversations	11:51:14
13	the PDF. It's not the page that I wanted. So	11:46:29	13	with anyone at PRIFA about the Special Deposits	11:51:17
14	I'll have to come back to it. Okay. I'll come	11:46:58	14	established under the Enabling Act?	11:51:27
15	back to it with a question if I need to.	11:47:01	15	A. We did not have particular	11:51:31
16	MS. McKEEN: Atara, I think you	11:47:11	16	conversations about Special Deposits.	11:51:34
17	have page 151 up.	11:47:12	17	MS. MILLER: Okay. Can we turn	11:51:37
18	THE REPORTER: Ms. McKeen, this is		18	back to tab 1102, Kevin, please?	11:51:42
19	the court reporter -- I'm sorry. This is the		19	BY MS. MILLER:	11:51:42
20	court reporter. Can you just move your phone a		20	Q. So we have back in front of us	11:51:45
21	little bit closer to you?		21	Exhibit -- Monolines Exhibit 21, and we are	11:52:07
22	MS. McKEEN: Is that better?		22	looking, again, at Section 1914. And I just	11:52:10
23	THE REPORTER: Yes. Thank you.	11:47:51	23	want to draw your attention to the bottom of	11:52:18
24	BY MS. MILLER:	11:47:51	24	the middle portion of that paragraph where it	11:52:20
25	Q. Okay. I want to turn back to tab	11:47:52	25	says the -- shall be covered into -- that the	11:52:25
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1	1102. Okay.	11:47:59	1	moneys shall be covered into a Special Fund to	11:52:27
2	Okay. So, sorry, the page that	11:48:11	2	be maintained by or on behalf of the authority	11:52:30
3	I'm looking for is actually the second half, so	11:48:15	3	designated as the Puerto Rico Infrastructure	11:52:33
4	we're going to just have to load 19B. So give	11:48:21	4	Fund.	11:52:37
5	me one second.	11:48:23	5	Do you see that?	11:52:37
6	MS. MILLER: Kevin, could you go	11:49:38	6	A. Yes, I see that.	11:52:40
7	to 357, please, back a couple pages? Thank	11:49:40	7	Q. And is the Puerto Rico	11:52:42
8	you. Okay. Here we go.	11:49:44	8	Infrastructure Fund something that you have	11:52:47
9	BY MS. MILLER:	11:49:44	9	ever come across in the accounting material of	11:52:49
10	Q. And do you see -- so we are still	11:49:48	10	the Commonwealth?	11:52:58
11	in the audited financials for the year ended	11:49:50	11	A. The concept of the Puerto Rico	11:53:03
12	June 30, 2016.	11:49:54	12	Infrastructure Fund is something I discussed	11:53:06
13	Do you see that?	11:49:55	13	with PRIFA. Is that the question?	11:53:18
14	A. Yes, I see it.	11:49:55	14	Q. That was the question.	11:53:20
15	Q. And there's a section designated	11:50:01	15	And what did you speak to PRIFA	11:53:22
16	Special Deposits.	11:50:03	16	about?	11:53:24
17	Do you see that?	11:50:05	17	A. We specifically inquired as to the	11:53:34
18	A. I see that.	11:50:09	18	existence of an Infrastructure Fund account.	11:53:35
19	Q. And you can just read how the	11:50:10	19	Q. And what did PRIFA tell you?	11:53:49
20	Commonwealth defines Special Deposits in its	11:50:12	20	A. That there's no specific bank	11:53:51
21	financial reports?	11:50:18	21	account that is designated or known as the	11:53:57
22	A. Sure. Special Deposits: This	11:50:20	22	Infrastructure Fund.	11:54:00
23	Fund acts as a fiduciary -- sorry.	11:50:24	23	Q. Okay. Did you ask whether --	11:54:03
24	This Fund acts in a fiduciary	11:50:28	24	other than a specific bank account whether	11:54:05
25	capacity in order to account for moneys	11:50:31	25	there is a Fund, as that term is used in the	11:54:07

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<p>1 Commonwealth accounting, designated the 11:54:09</p> <p>2 Puerto Rico Infrastructure Fund? 11:54:11</p> <p>3 A. Yes. 11:54:17</p> <p>4 Q. And what was the answer? 11:54:19</p> <p>5 A. That, again, there's no -- there's 11:54:24</p> <p>6 no Fund that is the Puerto Rico Infrastructure 11:54:27</p> <p>7 Fund. 11:54:35</p> <p>8 THE REPORTER: I'm sorry. Can you 11:54:35</p> <p>9 repeat the back half of the answer, please? 11:54:36</p> <p>10 THE WITNESS: There is no account 11:54:38</p> <p>11 number or Fund identified as the Puerto Rico 11:54:40</p> <p>12 Infrastructure Fund. 11:54:44</p> <p>13 BY MS. MILLER: 11:54:44</p> <p>14 Q. When you say "account number," you 11:54:51</p> <p>15 mean bank account number? 11:54:54</p> <p>16 A. Correct. 11:54:55</p> <p>17 Q. Did you speak to anybody at the 11:54:59</p> <p>18 Puerto Rico Department of Treasury regarding 11:55:01</p> <p>19 whether or not there was a Puerto Rico 11:55:03</p> <p>20 Infrastructure Fund? 11:55:04</p> <p>21 A. Yes. 11:55:09</p> <p>22 Q. And who did you speak to? 11:55:09</p> <p>23 A. I can recall discussions with 11:55:15</p> <p>24 Jeira Belén and Hector Gomez. 11:55:21</p> <p>25 Q. And what did they tell you about 11:55:23</p>	<p>1 BY MS. MILLER: 11:56:36</p> <p>2 Q. Of what? 11:56:47</p> <p>3 A. Of rum taxes. 11:57:00</p> <p>4 Q. And you testified, I think, that 11:57:03</p> <p>5 over a matter -- course of a few weeks, you put 11:57:06</p> <p>6 together a Flow of Funds for PRIFA among other 11:57:09</p> <p>7 instrumentalities, right? 11:57:13</p> <p>8 A. Yes. 11:57:14</p> <p>9 Q. And were these the Funds that you 11:57:15</p> <p>10 were tracking in the Flow of Funds? 11:57:18</p> <p>11 UNIDENTIFIED SPEAKER: Note my 11:57:29</p> <p>12 objection, please. 11:57:30</p> <p>13 THE WITNESS: The Flow of Funds, 11:57:35</p> <p>14 those are the Flow of Funds for \$117 million in 11:57:39</p> <p>15 each fiscal year. 11:57:48</p> <p>16 BY MS. MILLER: 11:57:48</p> <p>17 Q. Not just any \$117 million, right? 11:57:50</p> <p>18 A. Not just any \$117 million; 11:58:04</p> <p>19 correct. 11:58:11</p> <p>20 Q. Mr. Ahlberg, what moneys are the 11:58:11</p> <p>21 PRIFA Flow of Funds that you prepared tracking? 11:58:13</p> <p>22 A. We generally track the first 11:58:22</p> <p>23 \$117 million of rum tax proceeds. 11:58:24</p> <p>24 Q. Okay. And those are the moneys 11:58:33</p> <p>25 that Section 1914 indicated were to be 11:58:34</p>
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<p>1 that? 11:55:29</p> <p>2 A. That they did not understand the 11:55:29</p> <p>3 Puerto Rico Infrastructure Fund as being a 11:55:31</p> <p>4 specific or -- a specific bank account or Fund. 11:55:36</p> <p>5 Q. Well, do you have an understanding 11:55:41</p> <p>6 under the statute, based on what we just read 11:55:43</p> <p>7 in Monolines Exhibit 21, about what the 11:55:47</p> <p>8 Puerto Rico Infrastructure Fund -- what moneys 11:55:50</p> <p>9 were supposed to be deposited into the 11:55:52</p> <p>10 Puerto Rico Infrastructure Fund? 11:55:55</p> <p>11 MS. McKEEN: I'll object to the 11:56:00</p> <p>12 extent it calls for any legal testimony, but if 11:56:02</p> <p>13 the witness has a lay understanding, he can 11:56:04</p> <p>14 answer. 11:56:09</p> <p>15 THE WITNESS: Could you repeat the 11:56:16</p> <p>16 question? 11:56:17</p> <p>17 BY MS. MILLER: 11:56:17</p> <p>18 Q. Do you have an understanding of 11:56:18</p> <p>19 what moneys under Section 1914 of Exhibit 21 11:56:19</p> <p>20 were supposed to flow into the Puerto Rico 11:56:24</p> <p>21 Infrastructure Fund? 11:56:29</p> <p>22 MS. McKEEN: Same objections. 11:56:29</p> <p>23 THE WITNESS: I understand that 11:56:36</p> <p>24 this document specifies up to \$117 million. 11:56:36</p> <p>25</p>	<p>1 deposited in a Special Fund called the 11:58:39</p> <p>2 Puerto Rico Infrastructure Fund, right? 11:58:43</p> <p>3 MS. McKEEN: Objection. 11:58:45</p> <p>4 THE WITNESS: That is what this 11:58:45</p> <p>5 Section 1914 says. 11:58:47</p> <p>6 BY MS. MILLER: 11:58:47</p> <p>7 Q. Okay. And that's why you included 11:58:49</p> <p>8 them in the Flow of Funds because that's the 11:58:50</p> <p>9 money that's in dispute in this litigation, 11:58:53</p> <p>10 right? 11:58:55</p> <p>11 A. I don't know if that's the 11:59:04</p> <p>12 specific reason why we entered the Flow of 11:59:05</p> <p>13 Funds as 117 million. 11:59:12</p> <p>14 Q. And not just any 117 million of 11:59:13</p> <p>15 rum taxes, the first 117 million of rum taxes, 11:59:16</p> <p>16 right, that you were tracking? 11:59:20</p> <p>17 A. The first \$117 million of rum 11:59:22</p> <p>18 taxes in a given fiscal year, yes. 11:59:25</p> <p>19 Q. Mr. Ahlberg, did you review any of 11:59:34</p> <p>20 the Commonwealth financial documents to see if 11:59:36</p> <p>21 there was any discussion of a Puerto Rico 11:59:41</p> <p>22 Infrastructure Fund? 11:59:43</p> <p>23 A. I did not specifically review any 11:59:49</p> <p>24 one particular document in search for the 12:00:00</p> <p>25 phrase "Puerto Rico Infrastructure Fund." 12:00:03</p>

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<p style="text-align: right;">314</p> <p>1 Q. Did you look at whether the 12:00:10</p> <p>2 Puerto Rico Infrastructure Fund was identified 12:00:12</p> <p>3 as a Fund in the Commonwealth's audited 12:00:17</p> <p>4 financial statements? 12:00:20</p> <p>5 A. I can't recall off the top of my 12:00:32</p> <p>6 head if that's something that's included in the 12:00:35</p> <p>7 financial statements or not. 12:00:37</p> <p>8 Q. I'm asking you if you looked. 12:00:37</p> <p>9 A. I did not look through the 12:00:45</p> <p>10 financial statements for that specific phrase. 12:00:47</p> <p>11 Q. Okay. Did you look through the 12:00:52</p> <p>12 financial statements generally for the concept 12:00:55</p> <p>13 of a Fund established to hold the first 12:00:57</p> <p>14 \$117 million of rum excise taxes? 12:01:01</p> <p>15 A. No. 12:01:10</p> <p>16 Q. All right. Other than speaking to 12:01:11</p> <p>17 Sylvia and two people at Treasury, did you do 12:01:17</p> <p>18 anything else to determine whether or not the 12:01:23</p> <p>19 Commonwealth in fact has a Fund called the 12:01:25</p> <p>20 Puerto Rico Infrastructure Fund or another Fund 12:01:27</p> <p>21 designated for the deposit of the first 12:01:30</p> <p>22 \$117 million of rum excise tax? 12:01:32</p> <p>23 A. Outside of the conversations with 12:01:44</p> <p>24 the individuals that I mentioned and -- no. 12:01:46</p> <p>25 Q. Okay. So you did not look at any 12:01:52</p>	<p style="text-align: right;">316</p> <p>1 MS. MILLER: Kevin, I hate to do 12:02:46</p> <p>2 this to you, but I'd like to go back to the 12:02:48</p> <p>3 audited financial statements, please, and I'd 12:02:49</p> <p>4 like to go to page 347. So it will be at 19B. 12:02:51</p> <p>5 BY MS. MILLER: 12:02:51</p> <p>6 Q. Okay. So here we are. Look at 12:03:20</p> <p>7 number 2. 12:03:22</p> <p>8 Do you see that it's called 12:03:25</p> <p>9 Puerto Rico Infrastructure Financing 12:03:26</p> <p>10 Authority's Special Revenue Fund? Do you see 12:03:28</p> <p>11 that? 12:03:33</p> <p>12 A. I see that, yes. 12:03:33</p> <p>13 Q. Okay. And can you just read the 12:03:36</p> <p>14 first sentence to me? 12:03:37</p> <p>15 A. The Special Revenue Fund of the 12:03:43</p> <p>16 Puerto Rico Infrastructure Financing Authority, 12:03:47</p> <p>17 a blended component unit, is used to account 12:03:50</p> <p>18 principally for the moneys received by the 12:03:55</p> <p>19 Commonwealth up to \$117 million of certain 12:03:57</p> <p>20 federal excise taxes levied on rum and other 12:04:01</p> <p>21 articles produced in Puerto Rico and sold in 12:04:05</p> <p>22 the United States which are collected by the 12:04:07</p> <p>23 U.S. Treasury and returned to the Commonwealth. 12:04:09</p> <p>24 Q. Did you have any discussions with 12:04:18</p> <p>25 anybody at Treasury about what this Special 12:04:20</p>
<p style="text-align: right;">315</p> <p>1 documents to independently verify that, did 12:01:55</p> <p>2 you? 12:01:58</p> <p>3 MS. McKEEN: Objection. 12:01:58</p> <p>4 THE WITNESS: No, but I did look 12:02:04</p> <p>5 at enough documents to satisfy myself that the 12:02:05</p> <p>6 Flow of Funds presentation put together was 12:02:11</p> <p>7 accurate. 12:02:16</p> <p>8 BY MS. MILLER: 12:02:16</p> <p>9 Q. Okay. And counsel represented to 12:02:17</p> <p>10 us that at least since 2014, there has been no 12:02:19</p> <p>11 Fund identified as the Puerto Rico 12:02:22</p> <p>12 Infrastructure Funds. Do you understand that? 12:02:23</p> <p>13 Sorry. Do you agree with that 12:02:25</p> <p>14 representation? 12:02:27</p> <p>15 A. Yes. 12:02:27</p> <p>16 Q. Okay. And you believe that to be 12:02:29</p> <p>17 true, don't you? 12:02:31</p> <p>18 A. I guess. 12:02:32</p> <p>19 Q. So that's a yes? 12:02:39</p> <p>20 A. Yes. 12:02:41</p> <p>21 Q. Okay. 12:02:44</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">317</p> <p>1 Revenue Fund is? 12:04:25</p> <p>2 A. No. 12:04:32</p> <p>3 Q. Would you have liked to have known 12:04:33</p> <p>4 about that representation in the financial 12:04:36</p> <p>5 statements when you were having discussions 12:04:42</p> <p>6 about the Puerto Rico Infrastructure Fund? 12:04:44</p> <p>7 UNIDENTIFIED SPEAKER: Objection. 12:04:48</p> <p>8 THE WITNESS: I can't say whether 12:04:53</p> <p>9 it would have impacted our conversations one 12:04:54</p> <p>10 way or the other. 12:04:57</p> <p>11 BY MS. MILLER: 12:04:57</p> <p>12 Q. Okay. But would you have liked to 12:04:58</p> <p>13 have at least known about it so you could ask? 12:05:00</p> <p>14 MS. McKEEN: Objection. 12:05:04</p> <p>15 THE WITNESS: I can't say one way 12:05:09</p> <p>16 or the other. 12:05:11</p> <p>17 MS. MILLER: I'd like to mark as 12:05:49</p> <p>18 an exhibit tab 1107, Monolines Exhibit 22. 12:05:50</p> <p>19 (Monolines Exhibit 22 is 12:05:50</p> <p>20 introduced for the record.) 12:06:40</p> <p>21 BY MS. MILLER: 12:06:40</p> <p>22 Q. Okay. Mr. Ahlberg, you have in 12:06:40</p> <p>23 front of you a document that was marked 12:06:41</p> <p>24 Exhibit 22. If we go to the second page of the 12:06:43</p> <p>25 exhibit, you'll see that it is the trust 12:06:46</p>

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<p style="text-align: right;">330</p> <p>1 You didn't ask anybody for it. So 12:22:30</p> <p>2 did you independently look for such a document? 12:22:33</p> <p>3 A. No. 12:22:40</p> <p>4 Q. What's the basis for your 12:22:43</p> <p>5 testimony that you don't believe there is any? 12:22:45</p> <p>6 MS. McKEEN: Objection, misstates 12:22:48</p> <p>7 testimony. 12:22:50</p> <p>8 THE WITNESS: After discussions 12:22:52</p> <p>9 with Treasury and PRIFA, I saw no evidence of 12:22:58</p> <p>10 that. 12:23:04</p> <p>11 BY MS. MILLER: 12:23:04</p> <p>12 Q. What were the nature of those 12:23:09</p> <p>13 discussions? 12:23:12</p> <p>14 A. The nature of those discussions 12:23:15</p> <p>15 were preparation for this deposition. 12:23:23</p> <p>16 Q. Okay. So you're assuming that if 12:23:27</p> <p>17 they had a document mapping particular Funds or 12:23:29</p> <p>18 accounts, they would have mentioned it in the 12:23:33</p> <p>19 course of the conversations even though you 12:23:35</p> <p>20 didn't ask for it? 12:23:37</p> <p>21 MS. McKEEN: Objection. 12:23:39</p> <p>22 THE WITNESS: That would have 12:23:50</p> <p>23 been -- I believe I would have been aware 12:23:52</p> <p>24 of -- of any evidence to the contrary. 12:23:59</p> <p>25</p>	<p style="text-align: right;">332</p> <p>1 refer to the first \$117 million of rum revenues 12:25:46</p> <p>2 in the TSA? 12:25:50</p> <p>3 A. No, I think it generally refers to 12:25:59</p> <p>4 the first 117 million of rum revenues earned. 12:26:01</p> <p>5 Q. Regardless of where they were? 12:26:04</p> <p>6 A. I'm speaking generally about the 12:26:14</p> <p>7 concepts of the Infrastructure Fund as 12:26:16</p> <p>8 understood by relevant individuals. 12:26:20</p> <p>9 Q. Okay. And so the common 12:26:24</p> <p>10 understanding of that term is that the first 12:26:26</p> <p>11 \$117 million of rum excise taxes are in the 12:26:30</p> <p>12 Puerto Rico Infrastructure Fund? 12:26:36</p> <p>13 MS. McKEEN: Objection. 12:26:44</p> <p>14 THE WITNESS: No. 12:26:44</p> <p>15 BY MS. MILLER: 12:26:44</p> <p>16 Q. Well, tell me again how you 12:26:47</p> <p>17 understand it, how that term is generally 12:26:48</p> <p>18 understood within the Commonwealth? 12:26:50</p> <p>19 A. Generally understood as the first 12:26:53</p> <p>20 117 million of rum revenues in each fiscal 12:26:58</p> <p>21 year. 12:27:07</p> <p>22 Q. Okay. 12:27:07</p> <p>23 THE WITNESS: How does anybody 12:27:15</p> <p>24 feel about a break here, maybe breaking for 12:27:16</p> <p>25 lunch? 12:27:18</p>
<p style="text-align: right;">331</p> <p>1 BY MS. MILLER: 12:23:59</p> <p>2 Q. How would you have been aware of 12:24:03</p> <p>3 it? 12:24:05</p> <p>4 A. Again, through discussions with 12:24:05</p> <p>5 the team mentioned. 12:24:15</p> <p>6 Q. Okay. And your counsel 12:24:17</p> <p>7 represented that the term "Puerto Rico 12:24:21</p> <p>8 Infrastructure Fund" is not understood to refer 12:24:25</p> <p>9 to a specific bank account or accounts or 12:24:27</p> <p>10 accounting designations. Are you aware of that 12:24:30</p> <p>11 representation? 12:24:37</p> <p>12 A. Yes. 12:24:37</p> <p>13 Q. And do you believe it to be true? 12:24:37</p> <p>14 A. Yes. 12:24:44</p> <p>15 Q. How was that term understood? 12:24:54</p> <p>16 A. What term? 12:24:57</p> <p>17 Q. The Puerto Rico Infrastructure 12:24:58</p> <p>18 Fund. 12:25:00</p> <p>19 A. It's understood to generally refer 12:25:07</p> <p>20 to the first 117 million of rum Funds, rum 12:25:10</p> <p>21 revenues. 12:25:25</p> <p>22 Q. Held in the TSA? 12:25:37</p> <p>23 A. Would you mind phrasing that as a 12:25:39</p> <p>24 complete question? 12:25:44</p> <p>25 Q. Is it understood to generally 12:25:45</p>	<p style="text-align: right;">333</p> <p>1 MS. McKEEN: I think it's fine for 12:27:23</p> <p>2 us to take a break if Atara is close to a 12:27:24</p> <p>3 stopping place. 12:27:28</p> <p>4 MS. MILLER: Okay. I'm okay 12:27:34</p> <p>5 taking a break. Can we keep it short, like can 12:27:35</p> <p>6 we come back at 2 o'clock, 1 o'clock Central, 12:27:38</p> <p>7 does that work? 33 minutes, 32 minutes? 12:27:42</p> <p>8 MS. McKEEN: Tim, is that okay 12:27:45</p> <p>9 with you? 12:27:47</p> <p>10 THE WITNESS: Okay. 12:27:48</p> <p>11 MS. MILLER: Okay. 12:27:49</p> <p>12 MS. McKEEN: Fine for us, Atara. 12:27:50</p> <p>13 MS. MILLER: All right. Great, 12:27:52</p> <p>14 thank you. 12:27:53</p> <p>15 THE VIDEOGRAPHER: We are off the 12:27:53</p> <p>16 record at 12:28 p.m. 12:27:54</p> <p>17 (Recess taken.) 12:27:56</p> <p>18 AFTERNOON SESSION 12:59:27</p> <p>19 THE VIDEOGRAPHER: We are back on 01:03:44</p> <p>20 the record at 1:04 p.m. 01:04:23</p> <p>21 BY MS. MILLER: 01:04:23</p> <p>22 Q. Good afternoon, Mr. Ahlberg, 01:04:29</p> <p>23 welcome back. 01:04:31</p> <p>24 Do you understand moneys as being 01:04:32</p> <p>25 deposited into the Infrastructure Fund? 01:04:36</p>

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<p style="text-align: right;">334</p> <p>1 THE VIDEOGRAPHER: Counsel, excuse 01:04:47</p> <p>2 me, I'm sorry. Before he answers, can we just 01:04:50</p> <p>3 pause real slightly? I need to resize the 01:04:52</p> <p>4 screen here and then we can reask the question. 01:04:53</p> <p>5 I am so sorry. 01:04:56</p> <p>6 MS. MILLER: That's okay. Okay. 01:04:58</p> <p>7 BY MS. MILLER: 01:04:58</p> <p>8 Q. Do you understand moneys as being 01:05:13</p> <p>9 deposited into the Infrastructure Fund? 01:05:14</p> <p>10 A. Yes. 01:05:23</p> <p>11 Q. Do you understand the 01:05:24</p> <p>12 Infrastructure Fund as being a Fund held by 01:05:25</p> <p>13 PRIFA? 01:05:29</p> <p>14 MS. McKEEN: Objection. 01:05:33</p> <p>15 THE WITNESS: I don't think the 01:05:38</p> <p>16 Infrastructure Funds as being something held by 01:05:39</p> <p>17 anyone at all. 01:05:57</p> <p>18 THE REPORTER: I'm sorry, 01:05:57</p> <p>19 Mr. Witness, can you repeat your answer and 01:05:58</p> <p>20 move your phone a little bit closer? Thanks. 01:06:03</p> <p>21 THE WITNESS: Is this better? 01:06:05</p> <p>22 THE REPORTER: It is. Thank you. 01:06:08</p> <p>23 THE WITNESS: Okay. I don't 01:06:10</p> <p>24 remember the specific answer that I just gave. 01:06:12</p> <p>25 MS. MILLER: I think for the court 01:06:14</p>	<p style="text-align: right;">336</p> <p>1 documented rotated? 01:07:45</p> <p>2 MS. MILLER: Sorry. Say that 01:07:45</p> <p>3 again, Liz. 01:07:47</p> <p>4 MS. McKEEN: I was just asking to 01:07:48</p> <p>5 have the document rotated, and it has been. So 01:07:49</p> <p>6 I appreciate that. 01:07:51</p> <p>7 THE WITNESS: Okay. Now that we 01:08:08</p> <p>8 have the document right side up, would you 01:08:09</p> <p>9 please repeat the question? 01:08:12</p> <p>10 BY MS. MILLER: 01:08:12</p> <p>11 Q. Sure. My question was just 01:08:15</p> <p>12 whether this is a document that you've seen 01:08:16</p> <p>13 before. 01:08:18</p> <p>14 A. Yes. 01:08:22</p> <p>15 Q. Is this a document that you saw in 01:08:23</p> <p>16 connection with preparation for your testimony 01:08:28</p> <p>17 today? 01:08:29</p> <p>18 A. Yes. 01:08:35</p> <p>19 Q. Is this a document that you had 01:08:36</p> <p>20 seen before your testimony? 01:08:37</p> <p>21 A. No. 01:08:41</p> <p>22 UNIDENTIFIED SPEAKER: Objection. 01:08:43</p> <p>23 BY MS. MILLER: 01:08:43</p> <p>24 Q. So you weren't involved in 01:08:45</p> <p>25 preparing the Flow of Funds, were you? 01:08:49</p>
<p style="text-align: right;">335</p> <p>1 reporter the answer was: 01:06:16</p> <p>2 I don't think about the 01:06:18</p> <p>3 Infrastructure Fund as being held by anybody. 01:06:21</p> <p>4 Is that correct, Mr. Ahlberg? 01:06:22</p> <p>5 THE WITNESS: That is correct. 01:06:24</p> <p>6 Thank you. 01:06:25</p> <p>7 MS. MILLER: I'm going to mark a 01:06:30</p> <p>8 document as Exhibit -- Monolines Exhibit 23, 01:06:32</p> <p>9 tab 1510, please. 01:06:36</p> <p>10 (Monolines Exhibit 23 is 01:06:36</p> <p>11 introduced for the record.) 01:06:54</p> <p>12 BY MS. MILLER: 01:06:54</p> <p>13 Q. And while it's loading, I will 01:06:54</p> <p>14 describe the document that you'll see on your 01:06:57</p> <p>15 screen in a minute as Exhibit A to the 01:06:59</p> <p>16 Supplemental Opposition of the Commonwealth of 01:07:02</p> <p>17 Puerto Rico to Amended PRIFA Bondholder Motion 01:07:05</p> <p>18 to Lift the Automatic Stay. And it's titled 01:07:09</p> <p>19 Flow of Rum Taxes. Do you see that? 01:07:14</p> <p>20 A. I see that. 01:07:17</p> <p>21 Q. Okay. And if we could just look 01:07:19</p> <p>22 at the next page. Is this a document that you 01:07:22</p> <p>23 recognize? 01:07:31</p> <p>24 A. Please allow me to rotate it. 01:07:37</p> <p>25 MS. McKEEN: Could we have the 01:07:42</p>	<p style="text-align: right;">337</p> <p>1 A. I was not involved in preparing 01:08:52</p> <p>2 this document. 01:08:53</p> <p>3 Q. Okay. And so I just want to 01:08:57</p> <p>4 direct your attention to the bottom half of the 01:09:01</p> <p>5 page on the right-hand side. It identifies the 01:09:03</p> <p>6 PRIFA Infrastructure Fund. Do you see that? 01:09:10</p> <p>7 A. Where specifically? 01:09:20</p> <p>8 Q. There's a red box between two 01:09:21</p> <p>9 green boxes on the right-hand side. Do you see 01:09:23</p> <p>10 that? 01:09:31</p> <p>11 A. Yes, I see that, thank you. 01:09:31</p> <p>12 Q. Okay. And in the red box, the 01:09:33</p> <p>13 Flow of Funds is indicating money flowing from 01:09:36</p> <p>14 the TSA to the Puerto Rico Infrastructure Fund. 01:09:38</p> <p>15 Do you see that? Do you see that, 01:09:50</p> <p>16 Mr. Ahlberg? 01:09:51</p> <p>17 A. I see the green box there, where 01:09:51</p> <p>18 it says: 01:09:53</p> <p>19 The lockbox trustee (Citibank) 01:09:54</p> <p>20 remits up to the first \$117 million of rum tax 01:09:57</p> <p>21 remittances to the TSA where it is comingled 01:09:58</p> <p>22 with other funds. 01:10:01</p> <p>23 Q. Yes. So on top of that, there 01:10:03</p> <p>24 seems to be blue writing that's identifying the 01:10:06</p> <p>25 account, and that says TSA (held by 01:10:09</p>

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<p style="text-align: right;">338</p> <p>1 Commonwealth). 01:10:12</p> <p>2 Do you see that? 01:10:12</p> <p>3 A. I see that. 01:10:12</p> <p>4 Q. Okay. And then the flow is 01:10:19</p> <p>5 indicating that moneys are moving from the TSA 01:10:20</p> <p>6 down into the PRIFA Infrastructure Fund which 01:10:24</p> <p>7 is identified on this Flow of Funds as held by 01:10:27</p> <p>8 PRIFA. Do you see that? 01:10:33</p> <p>9 A. I see the arrows that you are 01:10:41</p> <p>10 referring to. 01:10:43</p> <p>11 Q. Okay. And in that red box 01:10:47</p> <p>12 describing the PRIFA Infrastructure Fund, the 01:10:49</p> <p>13 Flow of Funds indicates that historically, the 01:10:53</p> <p>14 Commonwealth appropriated 117 million and 01:10:57</p> <p>15 deposited such moneys into the PRIFA 01:10:59</p> <p>16 Infrastructure Fund for its "corporate 01:11:01</p> <p>17 purposes" and subject to Section 8, Article IV 01:11:03</p> <p>18 of the Puerto Rico Constitution. 01:11:06</p> <p>19 Do you see that? 01:11:08</p> <p>20 A. I see where it says that on this 01:11:08</p> <p>21 document. 01:11:11</p> <p>22 Q. Okay. And based on all of the 01:11:11</p> <p>23 work that you've done in connection with 01:11:14</p> <p>24 putting together Flow of Funds documents, is 01:11:16</p> <p>25 that consistent with your understanding of the 01:11:20</p>	<p style="text-align: right;">340</p> <p>1 into a PRIFA bank account called the 01:12:56</p> <p>2 Infrastructure Fund? 01:12:58</p> <p>3 A. No. 01:13:03</p> <p>4 MS. MILLER: Okay. So now I'd 01:13:13</p> <p>5 like to mark as Monolines Exhibit 24 a letter 01:13:15</p> <p>6 from counsel dated March 21, 2020, which 01:13:28</p> <p>7 attaches a Flow of Funds that I believe you did 01:13:33</p> <p>8 prepare for PRIFA. 01:13:40</p> <p>9 (Monolines Exhibit 24 is 01:13:40</p> <p>10 introduced for the record.) 01:14:22</p> <p>11 MS. MILLER: Would you go back to 01:14:22</p> <p>12 the first page of the exhibit and rotate the 01:14:24</p> <p>13 exhibit, please? 01:14:26</p> <p>14 BY MS. MILLER: 01:14:26</p> <p>15 Q. Okay. Do you recognize this 01:14:28</p> <p>16 document? 01:14:30</p> <p>17 A. Yes. 01:14:30</p> <p>18 Q. And did you prepare this document? 01:14:30</p> <p>19 A. Will you allow me to briefly look 01:14:38</p> <p>20 through the other pages? 01:14:45</p> <p>21 Q. Yes. Do you have the controls 01:14:47</p> <p>22 that you need? 01:14:49</p> <p>23 A. Yes, thank you. 01:14:51</p> <p>24 The answer to your question is 01:14:53</p> <p>25 yes. 01:14:54</p>
<p style="text-align: right;">339</p> <p>1 PRIFA Flow of Funds? 01:11:23</p> <p>2 MS. McKEEN: Object to form. 01:11:31</p> <p>3 THE WITNESS: I don't know. It's 01:11:32</p> <p>4 not an exercise that we did to map this 01:11:34</p> <p>5 document to the Flow of Funds that I prepared. 01:11:37</p> <p>6 BY MS. MILLER: 01:11:37</p> <p>7 Q. I'm not asking you to map, though. 01:11:42</p> <p>8 I'm just asking you whether it is consistent 01:11:45</p> <p>9 with your -- everything that you know and all 01:11:47</p> <p>10 of the analysis that you did -- have done that 01:11:51</p> <p>11 the moneys flowed from the TSA into a bank 01:11:56</p> <p>12 account held by PRIFA called the Puerto Rico 01:12:01</p> <p>13 Infrastructure Fund. 01:12:04</p> <p>14 A. Would you please repeat the 01:12:17</p> <p>15 question? 01:12:18</p> <p>16 Q. Is it consistent, based on all of 01:12:22</p> <p>17 the work and analysis that you did putting 01:12:24</p> <p>18 together the PRIFA Flow of Funds in this 01:12:27</p> <p>19 matter, is it your understanding -- 01:12:29</p> <p>20 A. I don't know. I did not analyze 01:12:39</p> <p>21 this document for consistency with the Flow of 01:12:42</p> <p>22 Funds documents that I prepared. 01:12:45</p> <p>23 Q. Okay. Is it your understanding, 01:12:46</p> <p>24 based on all of the work that you've done, that 01:12:49</p> <p>25 money flowed historically from the TSA account 01:12:52</p>	<p style="text-align: right;">341</p> <p>1 Q. Okay. And what documents did you 01:14:55</p> <p>2 review in preparing these Flow of Funds? 01:15:00</p> <p>3 A. Generally, we reviewed bank 01:15:07</p> <p>4 statements and transfer letters or voucher 01:15:10</p> <p>5 information. 01:15:13</p> <p>6 Q. Okay. And I want to look at the 01:15:19</p> <p>7 first slide on this, which is the rum taxes 01:15:23</p> <p>8 June '14 to June 2015. And I know yesterday -- 01:15:26</p> <p>9 or Tuesday, you had a discussion with 01:15:31</p> <p>10 Mr. Natbony about the various colors used in 01:15:33</p> <p>11 the chart and what they mean, and I just want 01:15:37</p> <p>12 to confirm with you that they have the same 01:15:39</p> <p>13 meaning in the PRIFA Flow of Funds as they did 01:15:42</p> <p>14 in the HTA Flow of Funds that you were asked 01:15:45</p> <p>15 about on Tuesday. 01:15:47</p> <p>16 A. Yes. 01:15:58</p> <p>17 Q. Okay. And so to review, the gray 01:15:58</p> <p>18 box indicates a Commonwealth account; is that 01:16:00</p> <p>19 right? 01:16:06</p> <p>20 A. Yes. 01:16:06</p> <p>21 Q. And what does the blue box 01:16:07</p> <p>22 indicate? 01:16:09</p> <p>23 A. In this -- in these cases, the 01:16:10</p> <p>24 blue boxes would indicate that PRIFA's name 01:16:14</p> <p>25 would be on the bank statements of those 01:16:19</p>

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1	A. Some discussions with -- with	05:15:52	1	marked as Exhibit 24.	05:18:52
2	Tourism Company and an understanding of	05:15:54	2	And could we go to the first Flow	05:18:56
3	operationally how things work.	05:15:59	3	of Funds chart in this document?	05:19:00
4	Q. Okay. I thought you just told me	05:16:01	4	So we are going to look at the	05:19:02
5	that you didn't have any conversations about	05:16:02	5	January 2014 to June 2015 Flow of Funds. Do	05:19:04
6	that.	05:16:05	6	you see that?	05:19:08
7	MS. McKEEN: Objection.	05:16:07	7	A. Yes.	05:19:08
8	BY MS. MILLER:	05:16:07	8	Q. Okay. And in the PRIFA Flow of	05:19:09
9	Q. What conversations are you	05:16:10	9	Funds, the moneys are supposed to be deposited	05:19:12
10	recalling?	05:16:12	10	to the credit of the Puerto Rico Infrastructure	05:19:17
11	A. It's hard to know since there were	05:16:32	11	Fund. Can you identify a particular bank	05:19:21
12	several conversations with the different	05:16:36	12	account on this chart that relates to that?	05:19:23
13	management teams in preparation for this	05:16:40	13	A. There is no bank account on this	05:19:30
14	deposition.	05:16:42	14	chart that is identifiable as the Puerto Rico	05:19:33
15	Q. Who did you have conversations	05:16:53	15	Infrastructure Fund.	05:19:37
16	with about the mapping of particular bank	05:16:54	16	Q. Okay. And then the moneys that	05:19:37
17	accounts to account designations in the bond	05:16:57	17	flow from there into the Sinking Fund?	05:19:39
18	documents?	05:17:08	18	UNIDENTIFIED SPEAKER: Objection.	05:19:49
19	MS. McKEEN: Objection.	05:17:08	19	BY MS. MILLER:	05:19:49
20	THE WITNESS: I don't recall	05:17:09	20	Q. Are there any accounts on this --	05:19:52
21	specific conversations about mapping accounts	05:17:09	21	on this Flow of Funds that you can identify as	05:19:54
22	to the bond documents.	05:17:11	22	the Sinking Fund?	05:19:59
23	BY MS. MILLER:	05:17:17	23	A. I am not positive of any of these	05:20:06
24	Q. Did you have any conversations	05:17:17	24	accounts being identified as the Sinking Fund.	05:20:08
25	with counsel about mapping of bond documents --	05:17:18	25	Q. Okay. And do you know whether	05:20:10
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1	just a yes or no -- mapping of accounts to bond	05:17:21	1	that US Bank Account -0002 is the reserve	05:20:12
2	documents?	05:17:25	2	account?	05:20:16
3	A. I mean, I can't recall if we	05:17:28	3	A. I'm not certain if that's the	05:20:24
4	specifically discussed this issue or not.	05:17:30	4	colloquial name of this account or not.	05:20:28
5	Q. I'm trying to understand -- I	05:17:44	5	Q. I mean, there are reserve accounts	05:20:33
6	showed you a document that identified the	05:17:46	6	that are discussed in the relevant bond	05:20:36
7	pledge account 9947 as the pledge account, and	05:17:50	7	documents. Do you know if that US Bank 002	05:20:38
8	you indicated to me that you weren't sure if	05:17:53	8	account is similar to the account discussed in	05:20:42
9	you had ever seen any document that identified	05:17:56	9	the bond document?	05:20:45
10	9947 specifically as the pledge account; is	05:18:01	10	A. Off the top of my head, I'm not	05:20:49
11	that right?	05:18:07	11	certain if that's the reserve account discussed	05:20:53
12	A. That's correct.	05:18:07	12	in the bond document.	05:20:54
13	Q. And yet you're confident that 9947	05:18:07	13	Q. Okay. So, looking -- and you	05:20:55
14	is the pledge account, right?	05:18:12	14	don't know if it's the redemption account	05:20:57
15	A. Without having that diagram in	05:18:18	15	either, do you?	05:21:00
16	front of me, I can't recall the exact account	05:18:21	16	A. I'm not positive.	05:21:01
17	number. I can remember it in the positioning	05:18:23	17	Q. Okay. So sitting here, off the	05:21:02
18	of the document.	05:18:25	18	top of your head, looking at this PRIFA Flow of	05:21:05
19	Q. Okay. Where -- where is it	05:18:27	19	Funds, is there any bank account that you can	05:21:08
20	positioned in the document?	05:18:28	20	attach a label from the bond document to?	05:21:10
21	A. If we could show the document, I	05:18:34	21	A. No.	05:21:25
22	could identify the account.	05:18:37	22	MS. MILLER: Okay. So now we can	05:21:26
23	Q. Okay. I'm not going to do that	05:18:39	23	put up the CCDA Flow of Funds, which is	05:21:28
24	right now because I have the PRIFA document up,	05:18:41	24	Exhibit 32. We can put that back up.	05:21:31
25	which is Exhibit 34 -- sorry -- 24. It was	05:18:48	25		

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